

Exhibit 1



BOX A-500 / TONAWANDA, N.Y. 14150 / (716) 876-6222

November 17, 1979

Mr. Robert F. Flacke
Commissioner
New York State Department of
Environmental Conservation
50 Wolf Road
Albany, New York 12233

Dear Mr. Flacke:

Re: 6 NYCRR Part 214--Coke Oven
Air Emissions Rule

Tonawanda Coke Corporation owns and operates a foundry coke battery on River Road in the Town of Tonawanda, Erie County, New York. It will be subject to Part 214 of Title 6 NYCRR as adopted August 23, 1979. I believe the new Part 214, as applied to Tonawanda Coke Corporation, is unreasonable and discriminatory. I have, accordingly, instructed our attorneys to commence whatever proceedings may be necessary in order to obtain judicial review of the rule. I am writing at this time so that you have have, in a less legal and formal manner, the reasons why I believe the rule should not be applied to Tonawanda Coke Corporation.

A first and fundamental distinction between Tonawanda Coke Corporation and all other coke oven operators in New York State is that the area where Tonawanda Coke Corporation is located is an "attainment" area for particulate matter while all other coke oven batteries are located in nonattainment areas. There is, accordingly, much less justification for a new rule applicable to Tonawanda Coke Corporation. Indeed, the new Part 214 is an integral part of the New York SIP revision which is required only to bring present nonattainment areas into compliance with the national ambient air quality standards.

In addition, there are fundamental distinctions between foundry coke batteries, such as that operated by Tonawanda Coke Corporation, and furnace coke batteries such as those operated by the other coke oven operators in New York State. A furnace coke battery produces coke for use in blast furnaces and is a necessary step in an integrated steel production operation. A furnace battery uses coal with a relatively high volatile content and coking time is on the order of 16 hours. A foundry coke battery, on the other hand, produces coke for use in iron foundries. In comparison to the coal used by furnace batteries, the coal which is used in a foundry battery is low in volatile content.

Coking time is generally on the order of 30 hours. The distinctions between furnace coke and foundry coke batteries, of which the foregoing are only the most obvious, have a fundamental effect on the appropriateness of standards and requirement such as set forth in new Part 214. The differences cut both ways--in some respects foundry coke batteries can comply with stricter standards than furnace coke batteries; in other respects, it is unreasonable and discriminatory to require a foundry coke battery to employ the same emission control techniques as a blast furnace battery.

As an example of the respects in which new Part 214 might be considered lenient as applied to a foundry coke battery, I would direct your attention to the limitation on door leaks. The new rule permits 10% of the oven doors on a battery to be leaking at any one time. The same standard is applied to both blast furnace batteries and foundry batteries. It is generally accepted that under normal conditions doors will only leak for a period of time immediately following charging of coal to an oven. Since each oven on a foundry coke battery is charged only once every 30 hours, rather than every 16 hours as in the case of a blast furnace coke battery, one would expect the number of doors leaking on a foundry coke battery to be less. That is in fact the case, and a lower percentage limit on door leaks on foundry coke batteries would be appropriate.

On the other side of the balance, and as an example of the respects in which new Part 214 imposes an unreasonable burden on foundry coke operations, we call your attention to the requirement for installation of pushing emission controls on all batteries in New York State, without regard to whether they are blast furnace coke batteries or foundry coke batteries. Leaving aside all issues as to whether pushing emission controls reliably accomplish a reduction in pushing emissions (issues which apply equally to blast furnace coke batteries and foundry coke batteries), it is clear that pushing emission controls are extremely expensive to install and extremely expensive to maintain and operate. I would suggest that there is far less justification for that expense in the case of foundry coke batteries. As I have already pointed out, each oven on a foundry coke battery is charged far less often than is the case with a blast furnace coke battery. Thus one would expect that, with batteries of equal size, a blast furnace battery might push four ovens per hour and a foundry coke battery only two. However, the capital cost to install pushing emission controls would be the same in both cases, with a result that the cost per unit of production in the case of the foundry coke battery would be twice that of a blast furnace coke operation. The difference between blast furnace coke operations and foundry coke operations is even more striking if viewed from the point of view of cost per pound of emissions prevented rather than cost per unit of production. The pushing emissions which a control system is supposed to reduce result primarily from volatile matter which remains in the coke at the time of pushing. As I have already noted, the coal mixture used in a foundry coke battery is much lower in volatile content than that used in a blast furnace coke battery. Since the purpose of the coking process is to drive off the volatile content, and the coking time on a foundry coke battery is much longer, the volatile content of foundry coke at the time of pushing is proportionately much lower than the original

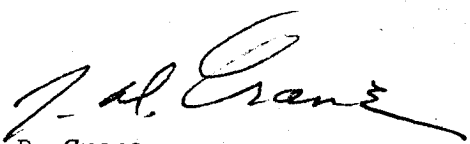
volatile content would suggest. Thus, in addition to there being fewer pushes per battery per hour, the emission potential per push on a foundry coke battery is much less than in the case of a blast furnace battery. The net effect is that the cost of pushing emission controls on a foundry coke battery, in terms of cost per pound of emissions controlled, is many times higher than in the case of a blast furnace coke battery.

These are only a few of the respects in which I believe new Part 214, as applied to foundry coke batteries is unreasonable and discriminatory.

I would be pleased to meet with you or your representatives to discuss this in detail. I would hope that these issues can be resolved by discussion rather than by judicial review.

Very truly yours

TONAWANDA COKE CORPORATION


J. D. Crane
President

JDC/lj

cc: Mr. Harry Hovey
Mr. John Spagnoli ✓